FY 2011 Capital Budget TPS Report 54876v1

Agency: Department of Fish and Game

Project Title: Project Type: Planning and Research

Acid Leakage Study of the Tulsequah and Taku Rivers

State Funding Requested: \$35,000 House District: Juneau Areawide (3-4)

One-Time Need

Brief Project Description:

The Department of Fish & Game will conduct a study of the acid leakage into the Tulsequah and Taku Rivers and the acid's effects on salmon and salmon habitat.

Funding Plan:

Total Cost of Project: \$35,000

There is no other funding needed

Detailed Project Description and Justification:

Acid drainage from a currently inactive Canadian mine (the Tulsequah Chief Mine) has the potential to threaten future harvests for several commercial fishing gear groups. The Taku River is a large multi- drainage, trans-boundary system that enters salt water roughly 25 miles southeast of Juneau. It is the largest producer of salmon in all of Southeast Alaska with an economic impact of more than \$25 million annually.

Substantial acid drainage has been noted coming from the inactive Tulsequah Chief Mine site, flowing into the Taku River from a major tributary, the Tulsequah River. Alaskan efforts to persuade Canadian authorities to remedy this situation have produced no resolution.

The Department of Fish and Game has limited data on the acid leakage and its effects. To date no formal study has been conducted by the Department of Fish and Game concerning the acid leakage. This funding will provide the Department with the opportunity to conduct a comprehensive study to determine the scope of the existing problem. This will also enable the State of Alaska to work with the Province of British Columbia and the Canadian Government to address cleanup efforts.

Page 1

Project Timeline:

The Department of Fish and Game will begin implementation of the study upon receipt of the funds.

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

Department of Fish and Game

Grant Recipient Contact Information:

Name: Kerry Howard, Division of Habitat Director

Address: 1255 W 8th Street

Juneau. AK 99811

Phone Number: 465-3176

Email: kerry.howard@alaska.gov

For use by Co-chair Staff Only:

\$35,000 Approved

Total Project Spanshot Report

	rotal Project Snapshot Report		
FY 2011 Capital Budget			TPS Report 54876v1
Has this project been through a public review pr	ocess at the local level and is	it a community priority?	Yes X No
The same project accounting and provide the same series of providing the s			
	-		
		For use by Co-chair Staff Only:	•
	Page 2		
	. ~9~ _		

Contact Name: Hannah McCarty Contact Number: 465-4767

UNITED SOUTHEAST ALASKA GREATERS SERVICES

PO Box 20538, Juneau AK 99802 (907)586-6550 usag@alaska.net www.akgillnet.org

April 14, 2010

Representative Beth Kerttula Alaska State House State Capitol Juneau, AK 99801

Representative Kerttula,

As you know, the Taku River located roughly 70 miles southeast of Juneau is Southeast Alaska's largest producer of salmon. Currently, acid leakage from a defunct Canadian mine is flowing into the Taku River from a major tributary, the Tulsequah River. The Dept. of Fish & Game has limited data on the acid leakage and its effects. There are serious concerns from fishermen that the acid flow is damaging existing salmon habitat with direct affects on adult salmon, eggs, alevin and smolt. We think at this time it would be prudent for the Dept of Fish & Game to conduct a thorough study of the acid-leakage into the Tulsequah and Taku Rivers and the acid's affects upon salmon and salmon habitat.

Recent mining at the Tulsequah Chief Mine by a now bankrupt Canadian mining company has exacerbated the existing acid flow. To date no formal study has been conducted by the Dept of Fish & Game concerning the existing acid flowage and the effects upon fish-rearing habitat and salmon within the Tulsequah River and within parts of the Taku itself. An appropriation within the capital budget between \$35,000 and \$50,000, should provide enough funding to do a comprehensive study to determine the scope of the existing acid-leakage problem. Once this information was available, Alaska could continue to work with the Province of British Columbia and the Canadian Government to address clean-up efforts.

We are hopeful that with additional information, particularly a comprehensive study, we can continue to push the Canadian authorities to clean up the defunct mine leaking into the Taku River, which flows into Alaska. Fishing groups on both sides of the border are dependent upon wild Taku River salmon stocks for economic and personal use. For many of us here in Southeast Alaska, the Taku River is our lifeblood.

If you need additional information, please don't hesitate to contact me at anytime.

Sincerely,

Chris Knight, Executive Director

USAG



UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 110 Juneau, Alaska 99801-1172 (907) 586-2820 (907) 463-2545 Fax E-Mail: ufa@ufa-fish.org www.ufa-fish.org

March 8, 2010

Honorable Sean Parnell Governor, State of Alaska PO Box 110001 Juneau, Alaska 99811-0001

Dear Governor Parnell,

United Fishermen of Alaska (UFA) requests your assistance in addressing a serious issue on the Taku River that involves salmon production and salmon markets. Acid drainage from a currently inactive Canadian mine is destroying prime rearing habitat in a tributary drainage and threatens potential future harvests for multi gear commercial fishing groups.

The Taku River is a large multi-drainage, trans-boundary system that enters salt water roughly 25 miles southeast of Juneau. It is the largest producer of salmon in all of Southeast Alaska, with substantial populations of all five salmon species that support significant commercial and sport fisheries. An earlier analysis estimated the economic impact of Taku River salmon harvest on the Juneau community at roughly \$25 million annually. More recent advances in salmon values undoubtedly have increased that impact including regional catches of Taku bound fish in other parts of Southeast, Alaska.

A multi-metal mine in Canada on the tributary, Tulsequah River has been inactive for many years until a recent attempt by a Canadian company to restart the mine. During the inactive period substantial acid drainage from the mine site had been noted as well as an associated "dead zone" in the river area surrounding the entry of that acidified flow. The affected area has been documented by Alaska Department of Fish and Game biologists in what is otherwise productive salmon rearing habitat. Alaskan efforts to persuade Canadian authorities to remedy this situation have been initiated in the Pacific Salmon Commission, through the State Department to bring the issue before an International Joint Commission, and in discussions with a prior Premier of British Columbia. Those industry led efforts have produced no resolution.

Complete clean-up of the existing acid drainage was one of the requirements placed on the new Tulsequah Chief mine developer by the Province of British Columbia. However, that developer, Redfern Corp., has entered bankruptcy after substantial development work on the site but no attempt to reduce the acidic flow. In fact, observations at the site suggest that the flow may have been exacerbated. Any increased effects on salmon rearing habitat have yet to be documented. But, controversies surrounding the failed redevelopment of the Tulsequah

Chief mine have garnered considerable media attention, including focus on the lingering acid leakage. Speculation about negative effects on the quality of Taku-origin salmon are factually unfounded, but the mere perception of a potential problem is all that is necessary to undercut Alaskan harvested Taku River salmon in the marketplace.

Taku River salmon are extremely important to fishermen and associated businesses throughout Southeast Alaska. It is also the only fishery for a small number of Canadian fishermen. The existence of several Alaskan businesses can be jeopardized if the market for Taku salmon is upset. We request your help in approaching Canadian provincial government to remedy and/or begin clean-up efforts of the current site.

In advance, we thank you for your time and attention to this problem. We are hopeful that your efforts will end risks from Canada's prolonged avoidance of a straightforward small mine clean-up, and begin a dialogue thus, finally bringing closure to a long standing issues with both sides of the border benefiting.

Respectfully,

Mark Vinsel

Executive Director

MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Independent Fishermen's Marketing Association • Alaska Independent Tendermen's Association
Alaska Longline Fishermen's Association • Alaska Scallop Association • Alaska Trollers Association • Alaska Whitefish Trawlers Association
Aleutian Pribilof Islands Community Development Association • Armstrong Keta • At-sea Processors Association • Bristol Bay Reserve
Bristol Bay Regional Seafood Development Association • Cape Barnabas Inc. • Concerned Area "M" Fishermen • Cook Inlet Aquaculture Association
Cordova District Fishermen United • Crab Group of Independent Harvesters • Douglas Island Pink and Chum • Fishing Vessel Owners Association
Groundfish Forum • Kenai Peninsula Fishermen's Association • Kodiak Regional Aquaculture Association • North Pacific Fisheries Association
Northern Southeast Regional Aquaculture Association • Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation
Purse Seine Vessel Owner Association • Seafood Producers Cooperative • Sitka Herring Association • Southeast Alaska Fisherman's Alliance
Southeast Alaska Regional Dive Fisheries Association • Southeast Alaska Gillnetters • Valdez Fisheries Development Association
United Catcher Boats • United Cook Inlet Drift Association • United Southeast Alaska Gillnetters • Valdez Fisheries Development Association